



290 Evergreen Drive · Vernon Hills, IL 60061-2904 · 847-367-3700

AGENDA
SPECIAL COMMITTEE OF THE WHOLE MEETING
VILLAGE OF VERNON HILLS
MARCH 13, 2018
7:00PM

- I. Call to Order
 - II. Roll Call
 - III. Pledge of Allegiance
 - IV. Citizens Wishing to Address the Board
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- 1. PRESENTATION OF THE FY 2018-19 PROPOSED BUDGET (STAFF)**
 - A. General Purpose Budget (P. 213-218)
 - B. Administration Budget (P. 219-242)
 - C. Committees Budget (P. 243-250)
 - D. Judiciary Budget (P. 251-256)
 - E. President & Village Board Budget (P. 257-262)
 - F. Vernon Hills Town Center (VHTC) Tax Increment Fund Budget (P. 263-270)
 - G. Melody Farm Tax Increment Fund Budget (P. 271-278)

 - 2. SOCIAL SERVICE GRANTS (FD LARSON)**

 - 3. ADJOURNMENT**

The Village of Vernon Hills is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and require certain accommodations in order to allow them to observe and/or participate in this meeting, or have questions regarding the accessibility of the meeting or the facilities, should contact Assistant Village Manager Joe Carey, at (847)918-3540 promptly to allow the Village to make reasonable accommodations for those persons.

SUMMARY FOR SPECIAL COMMITTEE OF THE WHOLE MEETING
OF MARCH 13, 2018

1. PRESENTATION OF THE FY 2018-19 PROPOSED BUDGET (STAFF)

Budget amounts approved on March 6, 2018 included:

- Police Budget: \$10,869,710
- Dispatch Center Fund Budget: \$2,990,937
- DUI Fund Budget: \$42,000
- Drug Forfeiture Fund Budget: \$46,000
- Fire and Police Commission Budget: \$15,639
- Community Development Budget: \$1,126,961
- Capital Sub-fund Budget: \$1,401,000
- Motor Fuel Tax Budget: \$1,494,000
- Metra Station Sub-fund Budget: \$72,000
- Public Works Budget: \$5,188,829
- Replacement Fund Budget: \$315,400
- Community Events Budget: \$106,540
- Summer Celebration Budget: \$186,385

Budget discussions will continue with the General Purpose budget and include all budget tabs following that tab. **Please note, the Golf Course budget will be discussed on Wednesday, March 21.**

- A. General Purpose Budget (P. 213-218) - **The General Purpose budget is \$1,743,260, which is a decrease of \$367,224 or 17.4% from the current budget.** Contingency in this budget is \$350,000, an increase from the current revised budget of \$104,625. Debt payments in the General Fund have increased by \$334,395. As previously mentioned, this increase is due to the higher debt payments coming due on the Village's 2005 GO Bonds. These bonds will be paid off in FY2021.

The amount budgeted for transfers to the VHTC TIF fund is \$130,000, which is for the Village's statutorily required 10% match of the TIF revenues. This represents a 0.8% increase from last year's budget level. The amount budgeted for transfers to the Melody Farm TIF fund is \$5,000, which is a placeholder for the Village's statutorily required 10% match of the TIF revenues. This is consistent with last year's budget level and is estimated to accommodate a matching contribution for any increment received in the coming year.

Fringe benefits in General Purpose are up by 95.1% to \$106,700. This account is used to cover the health care costs of six (6) retired or former employees on pensions per legal stipulations (PSEBA) or per ordinance. This account assumes that benefits will increase approximately 12% as a result of the December renewal, which is assumed based on current plan utilization and is consistent with what has been experienced over the past five years of renewals. Village-wide, the budget includes \$1.7 million for health insurance, which is a significant portion of the operating budget. As previously mentioned, staff will be conducting a formal

procurement process in the coming year to identify additional ways to reduce costs in this area.

- B. Administration Budget (P. 219-242) - **The Administration budget is \$2,701,630, which is an increase of \$164,121 or 6.5% over the current budget.** Salaries are \$925,195 which is an increase of \$80,555 or 9.5% from the current budget. The main reason for this increase is the proposal to add an accountant position to handle food and beverage and packaged liquor returns, should the Board elect to implement those sources of revenue. Also included in this increase are step increases for those employees that are still eligible for movement on the Village's current pay plan. Fringes are \$289,323 which is an increase of 5.0% from the prior year. Commodities are \$40,650 which is an increase of \$400; or 1.0% more than the current budget. Equipment is \$46,600 which is a decrease of \$19,695, or 29.7% less than the prior year. Contractual services are \$1,399,862 which is an increase of \$88,942 or 6.8% over the prior year. The main reason for this increase is for a Village-wide scheduling software system and an increase to the Information Technology Support Hours budget. Also included in the contractual services are premiums for the Village's Property, Casualty/Liability and Workers Compensation insurance. Budgeted at \$667,700, this amount assumes a 13.5% premium increase, which is based off of an average of previous renewal years and current utilization of the plans.
- C. Committees Budget (P. 243-250) - **The overall Committee budget is \$36,408, which represents a \$480 or 1.3% increase over the current budgeted level.** This budget has been increased slightly to accommodate required FICA expenses related to committee member compensation.
- D. Judiciary Budget (P. 251-256) - **The Judiciary budget is \$449,000, which is a 5.3% decrease from the current budgeted level.** This budget includes amounts that are anticipated for legal counsel for government affairs, labor issues, and prosecution. Also included in this budget is a \$20,000 estimate for anticipated legal expenditures related to the Village's Administrative Adjudication process.
- E. President & Village Board Budget (P. 257-262) - **The President and Trustee budget is \$619,242 which is a \$493,600, or 392.9% increase over the current budget.** The main reason for the increase in this budget is due to the placeholder of \$500,000 to be used towards a possible contribution to District 73 for improvements related to the proposed Kindergarten Center expansion. A possible contribution option consists of a \$200,000 donation and a \$300,000 loan which would be reimbursed back to the Village. These funds would be utilized for the construction of the proposed Phillips Road access drive and the Aspen Drive access drive and bus parking lot. Staff is seeking direction from the Board on this item.
- F. Vernon Hills Town Center (VHTC) Tax Increment Fund Budget (P. 263-270) - **The VHTC Tax Increment Fund budget is \$1,312,921, which is an increase of 12.2% from the current budget level.** In FY 2018-19 the Tax Increment Fund is

projected to run a surplus of \$118,079. Revenues are projected to be \$1,431,000, which is 0.8% more than was projected for FY 2017-18. Included in those revenues is a \$130,000 General Fund contribution as required in the TIF statute. Included in the FY 2018-19 budget are a number of principal and interest payments. Also included in debt service account is a placeholder for bank trustee fees to pay debt service on the refunded bonds. The entire increase in expenditures for this fund is related to the increase in bond payments that were restructured from the original 2007 bond issue.

- G. Melody Farm Tax Increment Fund Budget (P. 271-278) – **The Melody Farm Tax Increment Fund budget is \$648,108, which is a decrease of 96.5% from the current budget level.** The major reason for the decrease in this fund is the elimination of the \$18 million line item that was included for developer payments in the current year budget. Revenues are projected to be \$648,108, which includes \$50,000 in projected tax increment, \$5,000 in transfers in from the General Fund and \$593,108 in fund reserves. As the Board may recall, these fund reserves were accumulated from the 2017 General Obligation Bond issue, and will be utilized to make debt interest payments on these bonds during the first three years of construction. Included in the expenditures budget is \$648,108 for interest payments on the 2017 bond issue.

2. SOCIAL SERVICE GRANTS (FD LARSON)

Annually the Village Board considers requests for grants from various social service agencies. Attached is the spreadsheet showing the requested grant amounts for FY18/19. Staff is requesting your direction.

3. ADJOURNMENT

2017/18 AMOUNT APPROVED PER ORDINANCE 2017-029	2018/19 REQUEST	APPROVED	Social Service Grants 2018/2019 NON-PROFIT AGENCY	ALL AGENCIES ARE NON-PROFIT
\$5,000	\$5,500		A Safe Place/Lake County Crisis Center	For 39 years, ASP has provided services to victims of domestic abuse and their families as the sole provider exclusively addressing domestic violence in Lake County. (In 2017, served 168 VH residents & 460 VHHS students for training)
\$2,500	\$2,500		Community Alliance Project (CAP)	CAP is a coalition of community leaders formed to network, coordinate, and fund positive youth development programs in the Vernon Hills area, serving youth ages 5-17 and their families. (In 2017, served 500 VH residents)
\$2,500	\$2,500		Serenity House of Libertyville	Serenity House is 100% volunteer-run for men and women of all socioeconomic backgrounds and all substance abuse addictions. (Unknown anonymous)
\$5,000	\$5,000		Youth & Family Counseling	YFC is an outpatient counseling agency dedicated to making mental health counseling services accessible to all members of Lake County communities. (In 2017, 499 counseling sessions to 64 VH residents)
\$5,000	\$5,000		PADS Emergency Shelter and Supportive Services	PADS is a non-restrictive organization providing immediate emergency shelter, critical services and programs to individuals and families experiencing homelessness. (Since May 1, served 39 VH residents)
\$1,000	\$1,500		University of Illinois Lake County Extension	Uofl Extension is an educational outreach arm of the Uofl Champaign-Urbana campus, providing non-credit education to all citizens in Lake County. Programs include 4-H Youth Development, Nutrition Education, Community and Economic development and Agriculture/Horticulture education. (Served 10,000 VH residents)
\$1,000	\$1,000		Girl Scouts of Greater Chicago & Northwest Indiana (GSGCNWI) Vernon Hills Gathering Place (local office)	GSGCNWI is the 2nd largest of more than 100 GS councils in the country. Serves all girls ages 5-17 with programming designed to impact all stages of their development. (In 2016/17, served 178 VH girls with 99 adult volunteers)

		Social Service Grants 2018/2019		
\$3,500	\$4,500		Fresh Start of IL, NFP	Fresh Start has 2 areas of focus - FS Career Center which provides help to those in career transition and FS Business Incubator offers assistance for early stage firms and helps with the creation of start-up businesses within NE IL. (Counsel Career Transition/Business Incubator on an ongoing basis at 40-50+ hours per week)
\$2,000	\$2,000		Lake County Center for Independent Living	LCCIL is a residential disability services and rights organization that empowers people with disabilities to live independent, self-directed lives. They are governed and staffed by a majority of people with disabilities.(In 2017, served 30 VH residents)
\$6,000	\$7,500		CASA(Court Appointed Special Advocates for Children	CASA is a volunteer based organization to provide abused and neglected children with an advocate throughout the juvenile justice court system. (In 2017, served 7 VH children there are, 10 active VH volunteers)
\$1,500	\$1,500		Senior Issues Etc.	Senior Issues Etc broadcasts a twice monthly TV program on issues and topics of interest to seniors, covering finance, creative outlets, scams, health, etc. on Channel 4 and in 104 other communities throughout the northern Chicago area.
TOTAL \$35,000	TOTAL \$38,500			
FROM POLICE BUDGET				
\$14,000	\$14,000		Omni Youth Services	Since 1972, OMNI YS has been a leader in providing life changing experiential services to youth and their families. Their mission is to partner with parents and the community to provide innovative transformational behavioral and educational support services to youth to create pathways to successful and healthy behaviors throughout life. (In 2017, served 172 VH residents)